

RECORDS MANAGEMENT PROGRAMS

Annual Report 2000–2001



California Department of General Services

ANNUAL REPORT

RECORDS MANAGEMENT PROGRAMS

**Major Activities
Fiscal Year 2000-2001**



California
Department of General Services

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Empowering Government with Services, Solutions and Customer Success

EXECUTIVE SUMMARY

This report documents total savings and cost avoidance of over \$58.8 million for fiscal year 2000-01, representing a \$9.2 million increase over the previous year. The included data demonstrates that state agencies are definitely doing their part toward keeping the paper blizzard under control.

Large paper generators and users realize that it makes good business sense to utilize readily available electronic media where appropriate. The use of paper continues to get harder to justify as cost avoidance and savings figures for the use of electronic media continue to increase. State agencies are gaining an understanding of the savings available in the use of imaging and electronic records management technologies. Document Imaging (Imaging), by itself, produced a total cost avoidance of over \$29 million. This represents approximately 50 percent of the total of all savings for this fiscal year. All forms of electronic processing, including Imaging, Computer Output to Microfilm (COM), and paper-to-electronic-format conversion efforts accounted for over \$38.1 million. That results in over 65 percent of all savings and cost avoidance that is directly related to electronic records.

Total cost avoidance/savings was calculated using four major categories: (1) COM; (2) Source Document Imaging; (3) Records Storage; and (4) Records Destruction. Of the \$58.8 million in savings and cost avoidance, well over half—\$35.6 million—was generated by eight departments. Of those eight departments, five had savings in all four categories. Of all reporting entities, 14 had savings in all four major categories. Many agencies have made significant advances in the areas of records and document management. The top eight mentioned here are specifically recognized in the body of this report.

Approximately 39 percent of the agencies did not submit the required information for this year's report. Those agencies not reporting are non-compliant with the State Records Management Act. See Appendix A for an indication of the specific agencies that did not respond. However, if we extrapolate the numbers based on the characteristics of the 61 percent that did report, we can estimate that total cost avoidance/savings would be approximately \$96 million¹.

We commend the state agencies that submitted information for this Governor's report for economical records processing and reducing associated costs for the State of California.

¹ Fiscal Year 2000-01 total of \$58.8 million divided by 61% of agencies reporting equals \$96.3 million.

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ACRONYMS USED

AIIM	Association of Information and Image Management
ARMA	Association of Records Managers and Administrators International
ASP	Application Service Provider
CALPERS	California Public Employees' Retirement System
CalRIM	California Records and Information Management Program
CAM	California Acquisitions Manual
CALTRANS	California Department of Transportation
CD	Computer Disk
CIWMB	California Integrated Waste Management Board
COLD/ERM	Computer Output to Laser Disk/Enterprise Report Management
COM	Computer Output to Microfilm
DDC	Document Destruction Center
DGS	Department of General Services
DIR	Department of Industrial Relations
DMV	Department of Motor Vehicles
DOJ	Department of Justice
DTSC	Department of Toxic Substance Control
EDD	Employment Development Department
ERM	Enterprise Report Management
FSR	Feasibility Study Report
GC	Government Code
MSA	Master Service Agreement
PD	Procurement Division
PIN	Procurement Information Network
RESD	Real Estate Services Division
RMA	Records Management Analyst
RMC	Records Management Coordinator
SCO	State Controller's Office
SPB	State Personnel Board
SRC	State Records Center

IMPORTANCE OF RECORDS MANAGEMENT IN THE CURRENT ENVIRONMENT

The events of September 11, 2001, will be remembered as the beginning of a transformation in the way Americans live and travel. As professional records managers, the events of that day confirmed our belief that records management is an essential program in private industry and government. Records managers could compare the records aspect of this horrific event to the state of their own disaster preparedness and vital records protection plans. It is almost a certainty that the loss of vital records and other information resulted in the dissolution of companies that were unable to reconstruct their records.

It is unfortunate that tragic events call attention to our often-ignored records management programs. Ironically, as a result of the events, the significance of records management is now entering a period of revitalization. There is a growing realization of the importance of adhering to records retention schedules and backing up vital records. As evidenced by his veto of Senate Bill 392, which would have discontinued this annual report, Governor Gray Davis is committed to and supportive of the importance of good records management. In his veto message the Governor noted, *"I am returning this bill, in part because it repeals the annual report to the Governor on the progress of maintenance of State records."*

As managers and custodians of governmental records, now is the time to reaffirm our dedication to records management. We must continue to make all stakeholders aware of the benefits derived from adherence to retention schedules, related laws, government codes and departmental policies that govern records management and the protection of our vital records. We must continually ask ourselves the critically important question, ***"Would we be ready if a disaster occurred in California?"***

CALIFORNIA RECORDS MANAGEMENT PROGRAM

Introduction

The State of California Records Management Program is statutorily mandated by the “State Records Management Act” contained in GC Sections 14740-14774. The code requires the head of each agency, in part, to “Establish and maintain an active, continuing program for the economical and efficient management of the records and information collection practices of the agency.” Records are key to implementing the vision and mission of each agency.

The California Records Management Program, in the DGS PD has two main program elements: (1) CalRIM and (2) the SRC, which also includes the DDC. See Appendix C.

CalRIM staff assists state agencies with development and implementation of their organization’s records and document management programs. Services consist of all aspects of records management including records creation, retention, use, and disposal to ensure that records are kept until they have “no further administrative, legal or fiscal value...” (Section 14755 of the State Records Management Act). CalRIM staff provides Records and Integrated Document Management training, and assists agencies in streamlining the contracting process for records and imaging technologies through use of Master Service Agreements. Staff also consults with state agencies on document management and imaging issues and is responsible for developing and coordinating the statewide program.

The SRC offers low cost storage facilities for agencies to store their semi-active and inactive records and provides vault storage of vital records. The DDC provides destruction and disposal of confidential and non-confidential records, including plastic items. The byproducts of records destruction are recycled, thereby reducing the waste sent to California landfills.

History

With the exception of a few years when the report was produced bi-annually, this report has been generated on an annual basis since 1962. The existing records management program was administratively established in 1961 and officially adopted in 1963 with the passage of the State Records Management Act (GC Sections 14740-14774).

In passing the Records Management Act in 1963, the Legislature decided to apply controls to the increasing proliferation of the state’s records collection. If such a program were to be successful it must address itself to the entire spectrum of the records problem and be a comprehensive and coordinated statewide effort. Accordingly, the Records Management Act consolidated responsibility for administration of the program within one department, the DGS.

Listed below, in 10-year increments, are some statistics covering the past 40 years. The information shows the growth and importance of records management activities within the State of California.

The first annual report went to Governor Edmund G. Brown in 1962, even before the State Records Management Act was officially passed. The report stated 109,514 cubic feet of records were destroyed and 62,020 cubic feet were transferred to the records center. The report confirmed that a good records program is a continuing activity and the responsibility for the program rests in the hands of the individual departments.

The report for 1970-71 was provided to Governor Ronald Reagan. That report claimed there was a direct dollar savings of over \$2 million produced by the Records Management Program. The most significant accomplishment identified in the report was the increased use of the SRC.

The report for 1980-81 went to Governor George Deukmejian. The report covered multiple years and the program generated an average savings and cost avoidance amount of over \$10.1 million (\$5.05 million/year). Between 1972 and 1982 there were significant increases in the use of "standard forms", recycling, and micrographics.

The report for 1990-91 was delivered to Governor Pete Wilson. The average savings and cost avoidance for these years was reported to be \$119.3 million/year. Much of the difference between this and the 1980-81 report was the increased number of COM duplicates for a few large agencies that had not been reported before. This high use of duplicates ceased in Fiscal Year 1999-00, perhaps due to an increased use of the Internet and on-line alternatives.

Last year's report was presented to Governor Gray Davis. Savings and cost avoidance for 1999-00 were reported to be \$49.5 million plus an unspecified amount for document management projects. The large drop in savings from the 1990-91 report can be attributed to the reduction in use of COM by the Secretary of State and the Department of Health Services. Also, more and more agencies are migrating their data to the Internet as opposed to creating paper or COM.

Present

This Governor's Annual Report contains data supporting savings and cost avoidance of over \$58.8 million. Even in light of a slow moving economy, this represents an increase of more than \$9.3 million over last year.

In today's changing environment, records and document management continue to be extremely important programs. We see the ongoing Microsoft and Enron² investigations daily in the newspapers, and the horror of September 11, 2001, will stay with us forever. These global events not only have many personal, political, and newsworthy

² Newsworthy stories of mismanagement of e-mail and other paper documents that occurred throughout 2000-2001 and were recently made public.

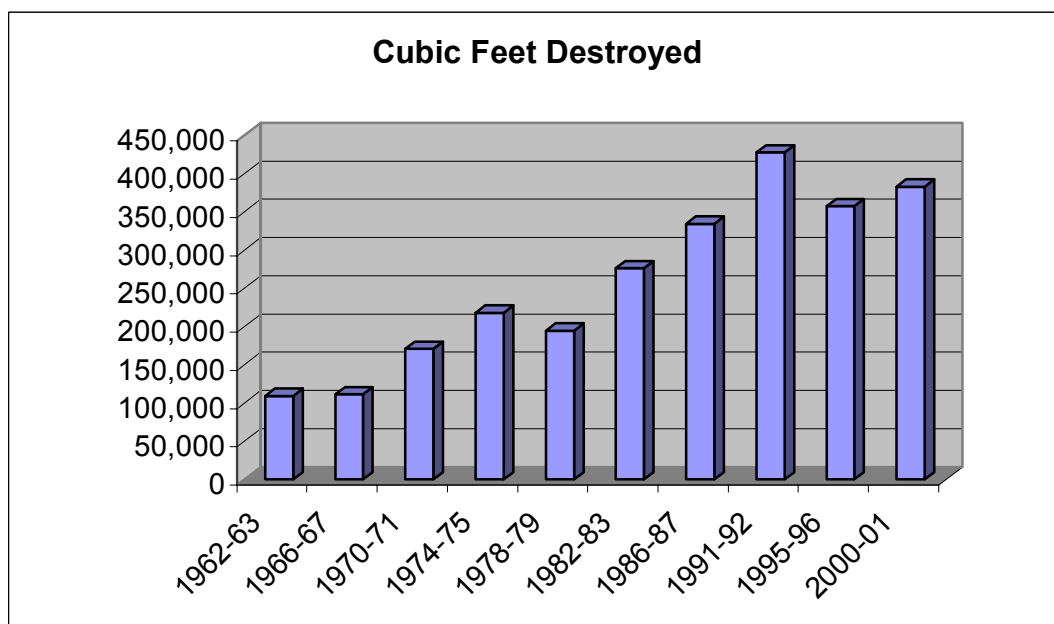
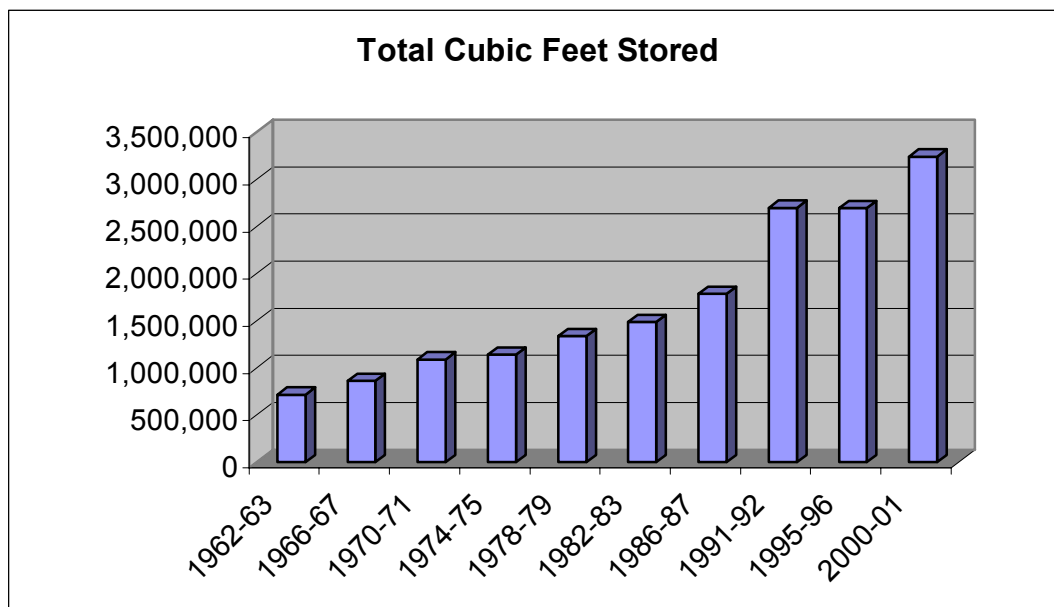
perspectives, but they also have very significant records management components. High-quality record retention schedules and record management techniques are needed for all records, including financial records and e-mail "records." Complete and appropriate schedules properly implemented with sound record management techniques provide much needed security and the ability to create backup and recovery procedures.

Industry reports by sources such as the Delphi Group, AIIM, Coopers & Lybrand, and Ernst & Young, state that the use of paper in business doubles every four years, the average document is copied nine to 11 times, over 600 billion e-mails are created each year, and 90 percent of corporate "memory" resides on paper. Paper usage has been reduced in some organizations, but has increased in others. Xplor International, a membership organization dedicated to enhancing the use of electronic document systems, predicts "by 2005, 30 percent of all documents will still be printed with the rest created and maintained electronically." Keith Davidson, Executive Director of Xplor said, "The paperless office is as about as realistic as the paperless toilet!"

The State of California has recognized the importance of electronic media in records management. Electronic records activity accounted for over \$38.1 million of the total savings and avoidance amounts reported for fiscal year 2000-01. The use of COM increased slightly from \$5.2 million last fiscal year to \$8.8 million this year. Source Document Imaging increased from approximately \$17.3 million to \$29.2 million. These numbers represent an increase in electronic document activity of approximately 59 percent from fiscal year 1999-00 to fiscal year 2000-01.

It is also important to note the significant accomplishments of the State of California in regards to "paper" records management. In fiscal year 2000-01, the state has benefited from a total savings and cost avoidance amount of over \$58.8 million. Of that total, approximately \$20.2 million is directly contributable to the storage and destruction of paper records. Figure 1 on the following page displays the increase in storage and destruction of records in four-year increments. As indicated in the charts, the state's records are growing at a rate less than the average expected by the experts. It also shows the volume of records destroyed is growing in proportion to the total holdings. Both of these numbers indicate the state is realizing savings through proper destruction and management of its records.

FIGURE 1. HISTORY OF RECORDS STORED AND DESTROYED



AGENCY ACCOMPLISHMENTS

Computer Output to Microfilm (COM)

COM is the process of copying data from electronic media on computers onto microforms (microfilm or microfiche) instead of printing the data on paper. Storage on microforms saves space. It also costs less to record on microforms than to print on paper. Other costs that are avoided by use of COM, but not incorporated in the chart below, include (1) time to access the data is less, and (2) mailing costs are much less expensive for film than for paper.

As shown below for fiscal year 2000-01, estimates for cost avoidance from use of COM is over \$8.8 million.

FIGURE 2. COST AVOIDANCE FOR COM

Agency	Total Pages	Cost Avoidance
Transportation, Dept of	55,177,055	\$2,425,032
Motor Vehicles, Dept of	51,839,108	2,278,329
Controller, State	33,969,539	1,492,961
Consumer Affairs, Dept of	19,503,606	857,183
Lottery Commission	16,952,598	745,067
Public Employees' Retirement	7,599,100	333,980
Personnel Board, State	2,992,695	131,529
Equalization, State Board of	2,656,761	116,765
Justice, Department of	2,570,298	112,965
Corrections, Department of	1,767,336	77,674
Insurance, Department of	1,734,516	76,232
Treasurer, State	1,377,331	60,534
Secretary of State	1,109,647	48,769
Teachers' Retirement System	819,086	35,999
Youth Authority, Department of	239,806	10,539
Education, Department of	203,865	8,960
General Services, Dept of	203,064	8,925
Forestry & Fire Protection, Dept of	35,750	1,571
Parks & Recreation, Dept of	24,658	1,084
Totals	200,775,819	\$8,824,098

NOTE: Cost avoidance is based on Teale Data Center costs and is the difference between printing a page @ \$.044 and producing microfiche (COM) at \$.00005 per page which equals a \$.04395 savings. Additionally, costs are avoided in bursting, handling, and mailing of paper forms.

Source Document Imaging

Source document imaging is the process of scanning documents and storing them electronically on optical disk, magnetic disk, or microforms in lieu of storing paper records. The use of images instead of printed pages allows the destruction of source documents, thereby lowering storage costs. As a result, less time is spent searching through paper files, shortening access time, and ultimately lowering personnel costs and improving customer service. Access by multiple individuals enhances customer satisfaction.

The DGS CalRIM assists government agencies to streamline the contracting process by implementing imaging services through statewide agreements for services referred to as MSAs. The contracts and agreements have the unique advantage of being customized to the needs of the customers. As listed below, CalRIM offers three MSAs that provide a wide variety of services that may be used by state and local agencies.

- **Document Conversion Services.** This MSA provides document conversion services to convert paper documents to electronic format, paper documents to micrographic form, and micrographic images to electronic format;
- **Records Management Consulting and Document Imaging/Workflow Project FSR Services.** This MSA provides state and local agencies with consulting services for defining and implementing records management projects and consulting services for imaging and workflow FSRs; and
- **Imaging, Workflow, Document Management, Project Implementation and Integration Services and Software.** This MSA provides software and implementation services for imaging, workflow, document management, COLD/ERM, database, and data capture projects.

Many agencies perform their own imaging, workflow, and document management, data capture/text retrieval. Some contract for these services from other agencies or suppliers separately, or use MSAs as described above.

The cost avoidance/savings for state agencies for fiscal year 2000-01 were developed from various sources including the Purchasing Information Network (PIN) system, contractor reports, and information supplied by the agencies on the Annual Microform-Electronic Document Management Activity Report, CalRIM Form 25.

As shown in the chart below, estimates for savings and cost avoidances for fiscal year 2000-01 for Source Document Imaging are over \$29 million.

FIGURE 3. COST AVOIDANCE FROM SOURCE DOCUMENT IMAGING

Agency	All Source Document Cost Avoidance
Treasurer, State	\$9,350,398
Controller, State	3,139,532
Toxic Substance Control, Department of	2,641,822
Justice, Department of	2,538,362
Corrections, Department of	1,940,459
Employment Development Department	1,792,862
Consumer Affairs, Department of	1,044,134
Public Employees' Retirement System	828,489
Equalization, State Board of	697,820
Managed Health Care, Department of	634,851
Water Resources , Department of	554,817
Other Agencies reporting less than \$500,000 each	4,100,986
Total Cost Avoidance for Source Document Imaging	\$29,264,532

NOTE: The number of images was calculated by dividing the price of each MSA contract by \$0.0267, the cost per image found in one of the MSA supplier catalogs. The cost avoidance was calculated by multiplying the number of images by \$0.06. This figure was determined to be the average of cost avoidance in previously submitted FSRs.

State Record Center (SRC) Record Storage

The DGS SRC serves California government with a total storage capacity of 1,057,000 cubic feet of records. This is the equivalent of 2.1 billion pieces of paper. The SRC is the largest state records center in the nation. Two operational facilities in West Sacramento currently house these records in 259,000 square feet of floor space. Annually, the SRC accepts approximately 110,000 cubic feet of records from 144 different state agencies. If these paper documents were placed end to end, they would extend for over 38,000 miles.

All California state agencies are charged with the responsibility to avoid and/or eliminate unnecessary program management costs where and whenever possible. Properly administered, the records and information management programs of state agencies provide the judicious and effective use of sound records management practices, procedures, and services that provide significant cost avoidance. Use of the SRC is one of the practices of good records management.

FIGURE 4. TOP TEN STATE AGENCIES IN COST AVOIDANCE FOR STORAGE

Cost Avoidance in Storage at the SRC*	
Agency	Amount
Industrial Relations, Department of	\$3,590,367
General Services, Department of	1,119,017
Health Services, Department of	961,871
Controller, State	886,983
Social Services, Department of	865,504
Transportation, Department of	845,175
Employment Development Department	778,334
Corrections, Department of	570,731
Consumer Affairs, Department of	495,895
Public Employees' Retirement System	411,966
All other agencies	4,177,508
Total Cost Avoidance	\$14,703,351

NOTE: *Office storage costs are estimated at \$27.32/cu. ft. based on office space figures provided by the DGS RESD and includes average shelving costs. Storage in the SRC costs \$1.19/cu. ft. without staffing support. This is a cost avoidance of \$26.13/cu. ft.

Destruction of All State Records

Timely disposal of state records saves costs. Destruction may be handled internally by the agency, contracted to a commercial provider, or by using the services offered by the DDC. Retention schedules provide instructions on the length of time records are maintained in office areas, departmental storage areas, and the SRC, and provide the legal basis for agencies to retain, transfer, and destroy records. The amount of records destroyed has increased from previous years; however, in some cases agencies continue to store records that are eligible for destruction. This practice is legally hazardous and an indication that records retention schedules are not consistently applied in the offending agencies.

The chart below shows the top 10 agencies in cost avoidance from all forms of destruction. In total, all agencies avoided over \$5.5 million.

FIGURE 5. TOP 10 AGENCIES IN COST AVOIDANCE FROM DESTRUCTION

Cost Avoidance from Destruction	
Agency	Amount
Corrections, Department of	\$1,713,475
California Highway Patrol, Dept of	742,335
Employment Development Department	550,873
Equalization, State Board of	465,463
Health Services, Department of	308,627
Mental Health, Department of	227,824
Transportation, Department of	204,100
Education, Department of	189,658
Franchise Tax Board	181,876
Justice, Department of	145,414
All other agencies	798,286
Total Cost Avoidance	\$5,527,931

NOTE: These amounts include three categories of records: (1) records destroyed, previously held in office space; (2) records destroyed, previously held in departmental storage; and (3) agencies' records destroyed, previously stored at the SRC. The amount shown for (1) is based on the cost of office storage @ \$27.32/cu. ft. calculated from RESD's space costs. Also included is a CalRIM estimate for filing equipment costs from market prices less \$1.19 SRC costs (excluding clerical support). For (2), where agencies destroy records that were in their departmental storage (other than office space), the amount is based on \$1.69/cu. ft. calculated from RESD's space costs (\$2.88) including the CalRIM filing equipment costs, less \$1.19 SRC costs. For (3), the amount is determined using SRC's billing rate of \$3.50/cu. ft. for destruction of records stored in their facility. This amount also includes overhead costs.

Document Destruction Center (DDC)

The DDC is an organizational unit within the State Records Management Program. The DDC staff shred confidential material, including paper of all types and plastic (e.g., computer tapes and diskettes, microfiche, microfilm, and videos). This is done under agreement with the CIWMB that has statutory authority for recycling. The destruction center destroys approximately 3,000 tons of confidential paper records per year. Bales of shredded computer and office quality paper are sold to recycling companies. Sale of the bales produced approximately \$490,000 in income in fiscal year 2000-01 from materials that otherwise would have been lost in landfill.

Examples of Cost Avoidance by Agencies

Below are the top eight agencies that have either saved or avoided total costs in excess of \$35.6 million in fiscal year 2000-01. This was accomplished by use of good records management methodologies and techniques. In this section, cost avoidance amounts include cost savings.

Office of the State Treasurer (Treasurer)

This office should be commended for the largest cost avoidance of all agencies and departments reporting. The office's overall cost avoidance was approximately \$9.4 million for fiscal year 2000-01. They were able to show savings in all four major areas of cost avoidance. The most significant amount was in Source Document Imaging. The agency updated one database application allowing the viewing of information via the desktop as opposed to printing out the information. Staff prepared a feasibility study for a document management project that recommends the conversion of paper bond files from 1995 forward to storage on CDs.

The State Controller's Office (SCO)

The second agency reporting a high amount of cost avoidance was the SCO. All major categories of cost avoidance totaled nearly \$5.6 million. This office is putting a significant emphasis on preparing current and accurate records retention schedules and should be applauded for doing so. They are avoiding costs by continuing to scan hard copy reports to microfiche using their in-house system. Standard forms are being placed on their Intranet, reducing need to store paper forms. They are also taking advantage of electronic correspondence.

Department of Corrections (Corrections)

Corrections also reported cost avoidances in all four major categories. They were the leader in the destruction of records that had reached the end of their useful life and thereby saved over \$1.7 million. They are also storing records on open shelving as opposed to file cabinets and increasing their use of electronic media. They are putting more emphasis on preparing and maintaining accurate records retention schedules.

Department of Transportation (CALTRANS)

This department made the most use of COM to the total of over \$2.4 million in cost avoidance. CALTRANS is also complying with their own records retention schedules by use of the SRC and the DDC. The agency established a "Records Committee" which will use the records retention schedule to consolidate records and to eliminate duplicate and/or unnecessary records. CALTRANS Information Technology section has moved all forms, directives, manuals, and other vital information needed to conduct daily business to the Department's Intranet eliminating the need for printed copies.

Department of Industrial Relations (DIR)

The DIR avoided costs estimated to be nearly \$3.6 million through storage in the SRC. This is an estimate, as they did not submit data for this report.

Employment Development Department (EDD)

The EDD's overall cost avoidance was over \$3.1 million. They are continuing to convert paper to electronic forms. Unemployment benefits can be applied for online. The EDD also has completed an onsite confidential destruction contract and continues to use the SRC to store records.

Department of Justice (DOJ)

The DOJ reported over \$3 million in cost avoidance. They placed their Training and Safety Manuals and Divisional Orders on CD-ROM and on the Intranet. The DOJ is making use of the Attorney General's website for public inquiries and complaints, eliminating volumes of information historically sent out on paper.

Department of Toxics Substance Control (DTSC)

The DTSC is converting paper to electronic formats and posting the forms on the Intranet and Internet as applicable. Major file conversions in five locations were partially completed in fiscal year 2000-01, which will eliminate duplicate records and allow for purging based on records retention schedules.

RECOMMENDATIONS

The rapid change and growth in technology, the events of September 11, 2001, the newspaper reports of document tampering and email proliferation emphasize the critical nature of records management methodologies and programs. The overwhelming obligation of the State of California in its records management program is to raise the level of attention paid to the creation, identification, use, maintenance, protection, and disposal of records in all formats, including email. The state must effectively use all methods of records and document management to decrease the costs and increase the security, efficiency, and effectiveness of its employees.

Specific Recommendations

Assure that one person has been assigned as the agency's RMA at a level not lower than Staff Services Analyst or equivalent as indicated in the CAM 4.9, California Records and Information Management.

- Assure that the RMA is identified as a team member or a stakeholder in all projects which generate or process records, including projects involving document conversion, microfilm, electronic document creation, including e-mail, and workflow applications.
- Encourage and allow the RMA to attend ARMA, AIIM, CalRIM sponsored, and other industry events, to keep abreast of emerging technologies in records and document management. Take full advantage of various services offered by CalRIM, in the form of workshops, policy, consultations, and resource materials.
- There is a high turnover of RMAs. Agencies should use Knowledge and Content Management concepts, to capture data, information, and knowledge currently held electronically or on paper. This information should be accessible and readily available to others who can learn from what has already been done.
- With the rapid pace of change in technology, policies on electronic records management must include a migration of the records to new storage devices and/or software formats at regular intervals.
- Publicly recognize outstanding records and document management achievements in agencies.

In addition, it should be noted that continued support by the Governor and increased awareness throughout agency management to support the staff assigned to carry out records management activities is critical.

APPENDICES

Appendix A, State Records Paper Holdings and Destruction

This chart represents the total records holdings as reported by state agencies. At the end are the cost avoidance figures from storage of records in the SRC as opposed to storage in office space. Holdings are in cubic feet. A cubic foot holds approximately 2000 sheets of paper.

Agency	No Report Submitted	Storage			
		Office	Dept.	SRC	Total
Administrative Law, Office of	X	447			447
Aging, California Commission on	X	91			91
Aging, Department of	X	1,517		163	1,680
Agricultural Labor Relations Board		3,833	751	602	5,186
Air Resources Board		8,000		3,955	11,955
Alcohol & Drug Programs, Department of	X	2,560		1,149	3,709
Alcoholic Beverage Control Appeals Board		114		24	138
Alcoholic Beverage Control, Department of	X	12,972		40	13,012
Arts Council, California		976	134	63	1,173
Boating & Waterways, Department of	X	1,158			1,158
Business, Transportation & Housing Agency		257		289	546
Calif Envir Protect Agency, Ofc of Secretary		120		99	219
California Exposition & State Fair	X	2,453			2,453
California Trade & Commerce Agency	X	505		1,071	1,576
California Highway Patrol, Department of		30,314	11,018	1,729	43,061
Child Support Services, Office of		2,540		1,963	4,503
Chiropractic Examiners, Board of	X	547		206	753
Coastal Commission, California	X	22,494		4,631	27,125
Coastal Conservancy, State	X	1,250	1,141	12	2,403
Colorado River Board of California		637			637
Community Colleges	X	3,163		328	3,491
Community Services & Development, Dept of		529	179	1,163	1,871
Conservation Corps, California	X	4,417			4,417
Conservation, Department of		9,468		2,975	12,443
Consumer Affairs, Department of		6,725		18,978	25,703
Controller, State		19,492	1,091	33,945	54,528
Corporations, Department of		3,415	7,630	1,052	12,097
Corrections, Board of	X	466		407	873
Corrections, Department of		300,816	58,129	21,842	380,787
Criminal Justice Planning, Office of	X	2,592		400	2,992
Debt & Investment Adv Commission, Calif		391		287	678
Debt Limit Allocation Committee, California		916	68		984
Developmental Services, Department of		27,811	5,708	759	34,278
Education, Department of		36,208		3,447	39,655
Educational Facilities Authority, Calif.		90			90
Emergency Medical Services Authority	X	446			446
Emergency Services, Office of	X	4,531		1,085	5,616
Employment Development Department		84,263		29,787	114,050
Energy Resources, Conservation & Dev Com	X	4,559		1,440	5,999

Agency	No Report	Storage			
	Submitted	Office	Dept.	SRC	Total
Environmental Health Haz Assessment, Ofc of	X	26,665			26,665
Equalization, State Board of		57,215	3,465	4,868	65,548
Fair Employment & Housing Commission		241	47	61	349
Fair Employment & Housing, Department of		1,792	3,636	511	5,939
Fair Political Practices Commission	X	677		883	1,560
Finance, Department of		8,368		898	9,266
Financial Institutions, Department of	X	5,985	5,204	901	12,090
Fish & Game, Department of		6,006	1,270	4,161	11,437
Food and Agriculture, Department of		8,356	1,609	231	10,196
Forestry and Fire Protection, Department of		6,337	6,068	2,239	14,644
Franchise Tax Board		28,927	276,630	1,411	306,968
General Services, Department of		53,343	4,025	42,825	100,193
Governor's Office	X	821			821
Health & Welfare Agency	X	761			761
Health & Welfare Agency Data Center	X	71			71
Health Facility Finance Authority, California		325			325
Health Services, Department of		52,148		36,811	88,959
Horse Racing Board, California		372	100	35	507
Housing & Community Development, Dept of		6,070		1,906	7,976
Housing & Finance Agency, California	X	2,318		5,155	7,473
Indust Develop Financing Adv. Comm, Calif		0		114	114
Industrial Relations, Department of	X	240,198	1,064	137,404	378,666
Information Technology, Department of	X	623	175	103	901
Insurance, Department of		21,376	7,899	3,666	32,941
Justice, Department of		164,350	4,259	8,394	177,003
Law Revision Commission, California	X	115			115
Library, California State	X	2,777		100	2,877
Lieutenant Governor, Office of the	X	235		12	247
Lottery Commission, California State	X	4,095	11,146		15,241
Managed Health Care, Department of		1,533			1,533
Managed Risk Medical Insurance Board	X	332		25	357
Mandates, Commission on State		162	42	138	342
Medical Assistance Commission, Calif.		265		24	289
Mental Health, Department of		52,236	24,018	1,676	77,930
Military Department		3,900	2,500	936	7,336
Mortgage Bond Allocation Committee		429		3,508	3,937
Motor Vehicles, Department of	X	50,828	103,491	6,274	160,593
Museum of Science & Industry, Calif.	X	1,875			1,875
Native American Heritage Commission	X	78		6	84
New Motor Vehicle Board	X	449			449
Organiz & Econ. Comm. on Calif. St. Gov't.	X	144		11	155
Osteopathic Examiners, Board of		143		84	227
Parks & Recreation, Department of		18,224	2,304	3,412	23,940
Peace Officers Stds. & Train, Commission on		220			220
Personnel Administration, Department of	X	3,531		1,707	5,238
Personnel Board, State		42,708		335	43,043
Pesticide Regulations, Department of		7,890	1,831	263	9,984
Pilot Commissioners, Board of	X	53			53
Planning & Research, Office of	X	2,013			2,013

Agency	No Report	Storage			
	Submitted	Office	Dept.	SRC	Total
Pollution Control Financing Authority		175	6	33	214
Postsecondary Education Commission		720			720
Prison Industry Authority	X	1,005			1,005
Prison Terms, Board of	X	881		13	894
Priv Postsecondary Voc Education, Bureau for	X	2,302			2,302
Public Defender, State		3,560	123	1,743	5,426
Public Employees Retirement System		27,000		15,766	42,766
Public Employment Relations Board	X	704		819	1,523
Public Utilities Commission	X	22,560	4,313	7,038	33,911
Real Estate Appraisers, Office of	X	1,006	115		1,121
Real Estate, Department of		7,857	1,762	12,629	22,248
Rehabilitation, Department of		16,737		4,390	21,127
Resources Agency		478	30	213	721
San Francisco Bay Cons. & Dev. Comm.	X	1,355			1,355
Santa Monica Mountains Conservancy	X	412		19	431
Secretary of State		6,024		3,353	9,377
Seismic Safety Commission		134		59	193
Social Services, Department of		24,031		33,123	57,154
State & Consumer Services Agency		169		73	242
State Lands Commission		14,128		2,843	16,971
Statewide Health Planning & Develop, Ofc of	X	17,801	84	12,753	30,638
Status of Women, Commission on the	X	320			320
Student Aid Commission, California		3,172	450	2,330	5,952
Teacher Credentialing, Commission on		1,412	197	2,704	4,313
Teachers' Retirement System, State		2,052		1,740	3,792
Teale Data Center, Stephen P.	X	1,852			1,852
Toxics Substances Control, Department of		26,669		1,534	28,203
Traffic Safety, Office of		642	209		851
Transportation, Department of		281,872	26,300	32,345	340,517
Treasurer, State		373	116	232	721
Veterans Affairs, Department of	X	25,809		4,207	30,016
Veterans Home of California	X	5,706			5,706
Victims Comp and Government Claims Board	X	6,411		6,702	13,113
Waste Management Board, California	X	4,232		969	5,201
Water Resources Control Board, State		33,445		6,381	39,826
Water Resources, Department of		40,320		3,710	44,030
Youth & Adult Correctional Agency		31			31
Youth Authority, Department of the		27,376			27,376
Youthful Offender Parole Board		32			32
Total Cubic Feet		2,101,428	580,337	562,700	3,244,465
Cost of records currently stored at SRC IF they were stored in the office @ \$ 27.32=				\$15,372,964	
Cost of the same records stored at the SRC @ \$1.19 =				\$669,613	
Cost Avoidance by storing at the SRC =				\$14,703,351	

Appendix B, Cost Avoidance Calculations

Agency	COM Cost Avoidance	Source Document Imaging	Storage	Destruction	Total Cost Avoidance
Treasurer, State	\$60,534	\$9,350,398	\$6,062	\$70	\$9,417,065
Controller, State	1,492,961	3,139,531	886,983	35,193	5,554,669
Corrections, Department of	77,674	1,940,459	570,731	1,713,475	4,302,340
Transportation, Department of	2,425,032	328,839	845,175	204,100	3,803,145
Industrial Relations , Department of		120,629	3,590,367		3,710,996
Employment Development Department		1,792,862	778,334	550,873	3,122,069
Justice, Department of	112,965	2,538,363	219,335	145,414	3,016,077
Toxic Substance Control, Dept of		2,641,822	40,083	18,761	2,700,666
Total for agencies above	4,169,166	21,852,903	6,937,070	2,667,886	35,627,027
Total from Confidential Destruction					490,000
Total of all agencies below	4,654,932	7,411,629	7,766,283	2,860,047	22,692,886
Total for all agencies	\$8,824,098	\$29,264,532	\$14,703,353	\$5,527,933	\$58,809,913

Consumer Affairs, Department of	\$857,183	\$1,044,135	\$495,895	\$50,954	\$2,448,167
Motor Vehicles, Department of	2,278,329		163,940		2,442,268
Health Services, Department of		366,939	961,871	308,627	1,637,437
Public Employees' Retirement Sys	333,980	828,489	411,966	199	1,574,633
Equalization, Board of	116,765	697,819	127,201	465,463	1,407,247
General Services, Department of	8,925	181,180	1,119,017	19,832	1,328,954
Social Services, Department of			865,504	14,741	880,245
California Highway Patrol, Department of		9,829	45,179	742,335	797,343
Lottery Commission, California State	745,067				745,067
Water Resources , Department of		554,818	96,942	5,435	657,195
Managed Health Care, Department of		634,851		523	635,374
Developmental Services, Dept of		331,505	19,833	98,181	449,519
Energy Resources, Conserv & Dev Com		443,596			443,596
Real Estate, Department of		77,069	329,996	17,214	424,279
Education, Department of	8,960	108,636	90,070	189,658	397,324
Secretary of State	48,769	185,358	87,614	30,681	352,422
Statewide Health Planning & Dev, Ofc of		689	333,236	18	333,943
Housing & Comm Dev, Department of		282,000	49,804		331,804
Mental Health, Department of		18,961	43,794	227,824	290,578
Insurance, Department of	76,232		95,793	95,584	267,609
Student Aid Commission		128,393	60,883	55,903	245,179
Water Resources Control Board		61,197	166,736	2,991	230,924
Franchise Tax Board		3,432	36,869	181,876	222,178
Public Utilities Commission			183,903		183,903
Personnel Board, State	131,529	43,461	8,754	1	183,744
Victims Comp & Govt Claims Board			175,123		175,123
Commission on Teacher Credentialing		101,640	70,656	1,763	174,058
Porterville Development Center		173,609			173,609
Teachers' Retirement System, State	\$35,999	\$36,702	\$45,466	\$49,007	\$167,174

Agency	COM Cost Avoidance	Source Document Imaging	Storage	Destruction	Total Cost Avoidance
Corporations, Department of		109,961	27,489	15,205	152,655
Parks & Recreation, Department of	1,084	1,180	89,156	55,017	146,436
Health & Human Services Data Center		142,725			142,725
Housing & Finance Agency, California			134,700		134,700
Criminal Justice Information Services		129,240			129,240
Lanterman Development Center		125,717			125,717
Rehabilitation, Department of			114,711	7,504	122,215
Coastal Commission, California			121,008		121,008
Fish & Game, Department of			108,727	6,798	115,525
Veterans Affairs, Department of			109,929		109,929
Youth Authority, Department of	10,539			99,242	109,781
Agnews Development Center		106,427			106,427
Air Resources Board			103,344	2,744	106,088
Criminal Justice Planning, Office of		95,196	10,452		105,648
High-Speed Rail Authority		104,494			104,494
California Regional Water Qlty Cont Bd		104,474			104,474
Forestry and Fire Protection, Dept of	1,571		58,505	37,315	97,392
Mortgage Bond Allocation Committee			91,664		91,664
Conservation, Department of		11,236	77,737		88,973
Patton State Hospital		83,880			83,880
State Lands Commission			74,288		74,288
Finance , Department of		30,554	23,465	9,612	63,631
Child Support Services, Office of			51,293		51,293
Public Defender, State			45,545	1,600	47,145
Personnel Administration, Department of			44,604		44,604
Community Services & Dev, Dept of		360	30,389	12,307	43,056
California Energy Commission			37,627		37,627
Food and Agriculture, Department of			6,036	29,400	35,436
Dev Services, No Calif Facility, Dept of		35,209			35,209
Alcohol & Drug Programs, Dept of			30,023		30,023
Military Department			24,458	4,111	28,569
Emergency Services, Office of			28,351		28,351
California Trade & Commerce Agency			27,985		27,985
Pesticide Regulations, Department of		5,743	6,872	13,382	25,997
Waste Management Board, California			25,320		25,320
Financial Institutions, Department of			23,543		23,543
Fair Political Practices Commission			23,073		23,073
Agricultural Labor Relations Board		6,742	15,730	288	22,760
Public Employment Relations Board			21,400		21,400
Fair Employment & Housing, Dept of			13,352	355	13,707
Corrections, Board of			10,635		10,635
Community Colleges			8,571		8,571
Business, Trans and Housing Agency			7,552		7,552
Debt & Inv Adv Commission, California			7,499		7,499
Resources Agency			5,566	278	5,844
Chiropractic Examiners, Board of			5,383		5,383
Aging, Department of			4,259		4,259
Mandates, Commission on State			\$3,606	\$261	\$3,867

Agency	COM Cost Avoidance	Source Document Imaging	Storage	Destruction	Total Cost Avoidance
Horse Racing Board, California			915	2,264	3,179
Valley State Prison For Women		3,072			3,072
Indust Dev Financing Adv Comm, Calif			2,979		2,979
Medical Assistance Commission, Calif			627	2,098	2,725
Information Technology, Dept of			2,691		2,691
Library, California State			2,613		2,613
Calif Envir Protect Agency, Ofc of Sec			2,587		2,587
Osteopathic Examiners, Board of			2,195	209	2,404
State & Consumer Services Agency			1,907		1,907
Arts Council, California			1,646		1,646
Fair Employment & Housing Comm			1,594		1,594
Seismic Safety Commission			1,542	26	1,568
Alcoholic Beverage Control, Dept of			1,045		1,045
Pollution Control Financing Authority			862	105	967
Traffic Safety, Office of				809	809
Calif Museum of Science		797			797
Managed Risk Medical Insurance Bd			653		653
Alcoholic Beverage Control Appeals Bd			627		627
Santa Monica Mountains Conservancy			496		496
Prison Terms, Board of			340		340
Youth Authority, No Recpt Ctr - Acct, Dept		314			314
Coastal Conservancy, State			314		314
Lieutenant Governor, Office of the			314		314
Educational Facilities Authority, Calif				295	295
Org & Econ. Comm. on Calif. St. Gov't.			287		287
Native American Heritage Commission			157		157
Health Facility Finance Authority, Calif				12	12
Total NOT including the top 8	\$4,654,932	\$7,411,629	\$7,766,280	\$2,860,045	\$22,692,886

Appendix C, The State of California Records Management Program

Program Description

Mission — To assist state agencies in solving their records management issues, enhancing program awareness and services, and streamlining their business process through development of successful and appropriate information technology and records management projects.

Vision — Empower government optimization of various record media facilitating a record solution that balances needs and resources. Strive to develop the full potential of staff to meet the expectations of our customers through quality, timely, effective, and efficient services for information and records management. Lead the way for other states and local government to improve the status quo.

The State Records Program has two main program elements: (1) the CalRIM program and (2) the SRC.

- CalRIM establishes guidelines for state agencies to manage their records programs, including the management of electronic records and using technology such as imaging. CalRIM provides training, MSAs to streamline the contracting process for records and imaging technologies and consultation, and other services to help customers establish and maintain effective records programs. CalRIM also reviews and maintains all State agency Records Retention Schedules.
- The SRC offers low cost storage of vital records and semi-active and inactive records, and includes the DDC that provides destruction of confidential records, including plastic items. The SRC also maintains a vault for storage of vital records on microfilm and other media.

Statutory Requirements and Program Responsibilities

The "State Records Management Act" contained in GC Sections 14740-14774 describes the duties and responsibilities of the Director of the DGS, the Secretary of State, California State Archives, and of state agencies in managing the state's records. Within the DGS, the PD has been assigned the overall development and coordination of the State's Records Management Program. Within PD, the CalRIM Program is responsible for the direct administration of the State of California Records Management Program.

The Director of the DGS is required to: "Establish and administer, in the executive branch of government, a records management program which will apply efficient and economical management methods to the creation, utilization, maintenance, retention, preservation, and disposal of state records."

The DGS is mandated to oversee the management of state records and to establish policies necessary for the efficient operation of the statewide records management

program. The DGS, through the CalRIM Program, acts also as a consulting body to assist state agencies in carrying out the policies.

As stated in the GC Section 14746, the duties of the Director of the DGS, shall include but not be limited to:

- Establishing standards, procedures, and techniques for effective management of records;
- Providing appropriate protection for records designated by state agencies, with the concurrence of the director, as essential to the functioning of state government in the event of a major disaster; and
- Obtaining from agencies reports required for the administration of the program.

The CalRIM Program provides training and consultation services. It provides MSAs to speed contracting in the full area of Records Management. Specialized services are also provided in Electronic Records Management, Annual Forum on Imaging and Records Management, Records Management Technologies, Program Updates, Records Management Customer Council, and scheduled agency Records Management Meetings to inform, clarify, share, and discuss, program policies, procedures, concerns and issues.

The DGS also administers the SRC and DDC. Records accession, storage and destruction services are provided to state agencies for records stored at the SRC, and, destruction services of confidential type records is provided by the DDC.

As statutorily required, all agencies must conform to records preservation requirements as reflected in approved and current records retention schedules when disposing of, or erasing electronic media that store the only copy or the official copy of the record. All executive branch agencies are statutorily required to participate in the State's Records Management Program.

State Records Center (SRC)

The SRC provides low-cost storage, security, protection, processing, and servicing of semi-active and inactive records. It is located in two facilities in West Sacramento with the potential for one million cubic feet of storage capacity. The SRC manages and provides confidential document destruction services, including plastic (e.g., computer tapes and disks, video and audio tapes, microfilm and microfiche, etc.), which helps facilitate the Paperwork Reduction Act. A vital records vault is provided by contract with a private firm and serves as a microfilm and essential record storage facility to be used in case of operational recovery after a major disaster.

THE ANNUAL REPORT ON RECORDS MANAGEMENT PROGRAMS

(The Great Seal of the State of California)

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STATE OF CALIFORNIA**

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